

**STATE WATER RESOURCES CONTROL BOARD
RESOLUTION NO. 2017-0057**

INCREASING THE LEVERAGING AUTHORITY FOR THE CLEAN WATER STATE
REVOLVING FUND (CWSRF) TO TWO BILLION TWO HUNDRED MILLION DOLLARS
(\$2,200,000,000) PRINCIPAL BALANCE OUTSTANDING AND AUTHORIZING THE
EXECUTIVE DIRECTOR OR DESIGNEE TO APPLY TO THE WATER INFRASTRUCTURE
AND FINANCE INNOVATION ACT (WIFIA) PROGRAM

WHEREAS:

1. The State Water Resources Control Board's (State Water Board) Division of Financial Assistance (DFA) administers the CWSRF program;
2. The State Water Board may leverage the CWSRF through the sale of revenue bonds pursuant to Water Code section 13480;
3. DFA works cooperatively with its financial advisor, the California Infrastructure and Economic Development Bank (IBank), and the Division of Administrative Services to determine whether additional leveraging is necessary and prudent for the CWSRF program;
4. The CWSRF program's cash flow forecasts indicate that additional cash will be needed in the time period 2019 through 2022;
5. The CWSRF's assets and revenues are sufficient to support the contemplated higher leveraging limit;
6. The IBank can sell CWSRF bonds on behalf of the State Water Board pursuant to Article 6, Chapter 2, Division 1, Title 7 of the Government Code;
7. The U.S. EPA's WIFIA program is an additional source of financing available to supplement CWSRF funding that the State Water Board will repay to U.S. EPA from the CWSRF; and
8. The State Water Board can, through its CWSRF program, apply for WIFIA funding from U.S. EPA.

THEREFORE BE IT RESOLVED THAT:

The State Water Board:

1. Increases the CWSRF program's debt limit up to \$2,200,000,000 principal balance (par value) outstanding;
2. Directs DFA to investigate the feasibility and desirability of borrowing from WIFIA; and

3. Authorizes the Executive Director or designee to apply to U.S. EPA's WIFIA program for CWSRF leveraging if leveraging via WIFIA can be done economically and consistently with the CWSRF's existing debt obligations.

CERTIFICATION

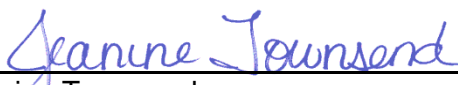
The undersigned Clerk to the Board does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the State Water Resources Control Board held on October 3, 2017.

AYE: Chair Felicia Marcus
 Vice Chair Steven Moore
 Board Member Tam M. Doduc
 Board Member Dorene D'Adamo
 Board Member Joaquin Esquivel

NAY: None

ABSENT: None

ABSTAIN: None



Jeanine Townsend
Clerk to the Board